

# **FISCAL MEMORANDUM**

## **SB 3286 – HB 3612**

May 5, 2008

**SUMMARY OF AMENDMENT (016871):** Deletes Section One of the original bill in its entirety. Requires the Department of Education (DOE) to disperse all funding appropriated for Internet connectivity or Internet funding to local education agencies (LEAs) by an equitable formula that takes into account the impact of federal E-rate program funds. LEAs may expend these funds for internet connectivity services provided by any service provider they wish. Requires that services be purchased by a request for proposal (RFP) competitive process and approved by the Comptroller. Requires the State Board of Education and the Department of Education (DOE) to annually review and make recommendations on the funding for Internet connectivity, e-learning, and Internet funding to the Select Oversight Committee on Education.

### **FISCAL IMPACT OF ORIGINAL BILL:**

Increase State Expenditures – Not Significant

### **FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

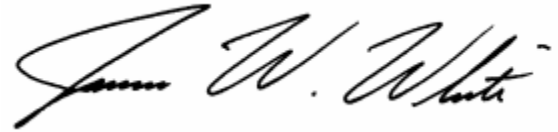
**Unchanged from the original fiscal note.**

Assumptions applied to amendment:

- The DOE currently has an internet connectivity contract with At&T. Approximately 20 LEAs use this contract. According to the DOE, a formula has been developed to disburse all funding on an equal footing that allows LEAs on the state contract to pay AT&T. As a result an increased appropriation is not required, therefore, any increase in state expenditures is estimated to be not significant.
- Approximately \$4,600,000 outside the BEP will be available in FY08-09 for dispersal.
- No impact on BEP funding.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large initial "J" and a distinct "W".

James W. White, Executive Director

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